

November 2010



# SCHOOL FINANCE UPDATE

*A Monthly Newsletter Published by the School Finance Division*

Denise Juneau, State Superintendent  
Montana Office of Public Instruction  
PO Box 202501  
Helena, MT 59620-2501

Phone (406) 444-3024  
FAX (406) 444-0509  
<http://www.opi.mt.gov>



This newsletter is emailed to school districts, county superintendents, county treasurers, and auditors each month. The newsletter is intended to reach all district staff involved in budgeting, accounting, enrollment, special education funding, and federal programs. Please forward it to all interested parties. Got suggestions for items to include here? We'd love to hear from you!

## K-12 BASE Aid Payment Reminders

The state K-12 BASE aid payments for November and December will be made early due to the holidays. The November payment is scheduled for Friday, November 19, 2010. The December payment is scheduled for Friday, December 17, 2010.

Payment types are different for November. In November, school districts will receive **Guaranteed Tax Base Aid (GTB)** in the General Fund, **State Block Grants** in the General and Transportation Funds, and **Combined Block Grants** in the funds designated on the FY2010-11 budgets. Counties will receive Retirement Fund GTB and State Block Grant payments.

**OPI Contact:** Kathleen Wanner, (406) 444-9852 or [kwanner@mt.gov](mailto:kwanner@mt.gov).

## Changes to FY2009-10 Trustees Financial Summary (TFS)

If you find a material coding error on your FY2009-10 Trustees Financial Summary (TFS), you may submit a revision to Rebecca Phillips in the OPI School Finance Division. Changes to the FY009-10 TFS are limited to: 1) coding revisions between revenue and expenditure line items providing no change occurs in the fund balance of the budgeted funds, and 2) revisions in the balance sheet accounts provided no change occurs in the fund balance of the budgeted funds (see ARM 10.10.504(6)). OPI cannot process TFS changes that affect the fund balance in a budgeted fund because fund balance is carried forward to the FY2010-11 budget, and a change in fund balance may impact the number of mills already levied in the fund.

Revisions may be submitted following these procedures:

1. Photocopy the original page of the TFS with amounts to be revised crossed out and the correct amount written above it.
2. When sending balance sheet account revisions, please also send any expenditure and revenue line item changes that correlate with such changes. The fund balance on the balance sheet should equal the ending fund balance shown on the statement of revenues, expenditures and changes in fund balance report after the revisions are made.
3. Fax the revisions to Rebecca Phillips at (406) 444-0509 or mail them to her at P.O. Box 202501, Helena MT 59620-2501. **Please submit the revisions by December 10** so that questions or problems related to processing the changes can be addressed before school districts are closed for the holiday break.

**OPI Contact:** Rebecca Phillips, (406) 444-0783 or [rphillips2@mt.gov](mailto:rphillips2@mt.gov).

## **Important Transportation Program Deadlines**

By November 10, the county superintendent must electronically approve each bus route form (TR-1) submitted by a school district. By mid-November, OPI will electronically notify county superintendents and district clerks of the approved rates for individual and isolated contracts. See 10.7.101, Administrative Rules of Montana for more information.

**OPI Contact:** Maxine Mougeot, (406) 444-3096 or [mmougeot@mt.gov](mailto:mmougeot@mt.gov).

## **MASBO New Clerk Academy**

The Montana Association of School Business Officials (MASBO) will hold its New Clerks Academy on **November 18-19 at Jorgensons, 1714 Eleventh Avenue, in Helena**. A registration form is located at this link:

<http://fs3.formsite.com/masbo/NewClerkAcademy/index.html>.

**Contact:** Lynda Brannon, MASBO Executive Director, (406) 442-5599 or [lbrannon@masbo.com](mailto:lbrannon@masbo.com).

## **ARRA SFSF FY10 Monitoring Surveys Received in October**

Thank you to all district staff who submitted the ARRA SFSF Monitoring Survey reports in October.

In October, the OPI collected information from each district about how the district spent its ARRA State Fiscal Stabilization Funds (SFSF) in FY 2009-10. OPI collected the information as part of the State's required monitoring of subrecipients under the American Recovery and Reinvestment Act of 2009 (ARRA). As the federal funds were used to support a portion of the K-12 BASE Aid paid to each district, some districts found it difficult to identify specific outcomes from the use of the money because it replaced state money the districts had previously counted on. Other districts identified positions or programs in their districts that were funded due to the availability of funds that might otherwise not have been available. The majority of districts reported having used the money to pay a portion of the salaries and benefits for existing teaching staff, which would have been paid using state funds had those funds not been replaced with federal funds. Each district identified efforts it made to address at least one of four education reform areas targeted by the SFSF program.

OPI appreciates all those who worked on the reports to provide OPI with feedback to fulfill monitoring requirements under the program.

**OPI Contact:** Joan Anderson, (406) 444-2562 or [janderson@mt.gov](mailto:janderson@mt.gov).

## **Special Coding for October SPED payment**

A portion of the October State Special Education Allowable Cost (SPED) Payment is supported by funds appropriated in House Bill 645 from the 2009 legislative session. School districts should code their October SPED payment to two revenue sources:

**01-3730** HB645 SPED and **01-3115** State SPED. OPI has posted a spreadsheet at [http://www.opi.mt.gov/pdf/SchoolFinance/Entitle/FY11OctHB645\\_SPEDPayment.pdf](http://www.opi.mt.gov/pdf/SchoolFinance/Entitle/FY11OctHB645_SPEDPayment.pdf). This spreadsheet provides a detailed breakdown of the distribution by school district.

This special coding applies only to the October SPED payments; it does not affect special education cooperatives.

School districts and county treasurers are encouraged to code this payment on the county and school district accounting records properly. The OPI will pre-fill the amounts on the FY2011 Trustees Financial Summary, so please ensure the proper revenue source codes and amounts are used now to avoid extra time and effort tracking down discrepancies next summer.

**OPI Contacts:** Kathleen Wanner, (406) 444-9852 or [kwanner@mt.gov](mailto:kwanner@mt.gov) (Payments).  
Adam Anfinson, (406) 444-4524 or [aanfinson@mt.gov](mailto:aanfinson@mt.gov) (HB645).

## October Direct State Aid Payment

The October Direct State Aid (DSA) payment may be supported by two revenue sources. Only school districts that submitted a reimbursement request for General Fund ARRA State Fiscal Stabilization Fund (GF SFSF) expenditures on the FY2010-11 ARRA 1<sup>st</sup> Quarter report received SFSF revenue as part of the October DSA payment. These districts must code their October DSA payment to two revenue sources: **01-7800 SFSF** and **01-3110 Direct State Aid**. OPI has posted a spreadsheet at [http://www.opi.mt.gov/pdf/SchoolFinance/Entitle/FY11OctDSA\\_SFSFPayment.pdf](http://www.opi.mt.gov/pdf/SchoolFinance/Entitle/FY11OctDSA_SFSFPayment.pdf). This spreadsheet provides a detailed breakdown of the distribution by school district.

School districts and county treasurers are encouraged to code this payment on the county and school district accounting records properly. The OPI will pre-fill the amounts on the FY2011 Trustees Financial Summary, so please ensure the proper revenue source codes and amounts are used now to avoid extra time and effort tracking down discrepancies next summer.

**OPI Contacts:** Kathleen Wanner, (406) 444-9852 or [kwanner@mt.gov](mailto:kwanner@mt.gov) (Payments).  
Adam Anfinson, (406) 444-4524 or [aanfinson@mt.gov](mailto:aanfinson@mt.gov) (ARRA SFSF).

## School Staffing Project

The OPI School Staffing Project is completing its documentation of business processes for teacher preparation programs and educator licensure. OPI is drafting a Request for Proposal (RFP) detailing the new information system requirements which focus on automating existing practices. Revisions to the Annual Data Collection processes, including the reporting of personnel assignments in school districts and special education cooperatives will be addressed by an in-house development effort at OPI.

The Montana legislature has provided funding to collect salary and benefit information from school districts. For the 2010-11 school year, OPI is designing a pilot project with two Montana-based accounting vendors and 20 school districts to collect salary and benefit information about teachers, administrators, specialists, and paraprofessionals employed in public school districts. The pilot project will determine how OPI will proceed with the collection of the salary and benefit data from school districts statewide.

A State Educator Identifier (SEID) will be a unique identifier assigned to each educator. This ID will link teacher preparation and licensure, employment, personnel assignments and compensation, salary and benefits systems for a Montana educator. This linkage will allow exchange of data among systems.

**OPI Contact:** Sharon Krzemien, (406) 444-1641 or [skrzemien@mt.gov](mailto:skrzemien@mt.gov).

## Official Free and Reduced-Price Rates Determined by October Claim

Please use the highest numbers of free, reduced-priced and paid eligible students for the month of October in the eligibility information section of your School Nutrition Programs claim for reimbursement. The free and reduced-price claim information determines your school's poverty indicators for the 2010-11 school year.

**OPI Contact:** Alison Wolf, (406) 444-2501 or [aliew@mt.gov](mailto:aliew@mt.gov).

## 2010-2011 Winston Equipment Grant

Could your school kitchen use an upgrade? How about TEN new pieces of equipment? Through the School Nutrition Foundation, the Winston Industries Equipment Award Grant will provide equipment to one school district needing improvement of its kitchen facilities. Ten pieces of Winston equipment will be awarded to the winning school, and may include items such as holding cabinets, holding drawers, steamers, cook and holds and therm and holds. The application is online and consists of two 500-750 word essays. Tell Winston what equipment challenges your district is currently facing and how new equipment from Winston could help.

Go to <https://scholarselect.com/scholarships/1179--winston-equipment-award-grant-2010> to apply. Applications must be received by December 3, 2010.

**OPI Contact:** Alison Wolf, (406) 444-2501 or [aliew@mt.gov](mailto:aliew@mt.gov).

## **FY2010-11 State Career & Vocational/ Technical Education Payments**

The FY2010-11 State Career and Vocational/Technical Education allocation payments have been finalized and were automatically deposited with your county treasurer's office on Monday, November 1, 2010. You can find the payment report on the OPI web site under Finances & Grants, then click on Payments to Schools and Coops. The information is also posted on the Secondary CTE web page.

State allocations are based on a formula that factors:

1. Student enrollment in career and technical education classes;
2. Extended contracts for career and technical education instructors;
3. Career and Technical Student Organization (CTSO) chapters and student membership;
4. District career and technical education expenditures.

The enrollment, extended contract and CTSO information comes from the 'Career and Technical Education Student Participation Reports' your district submits to our office each February. The district expenditures are determined from financial reports sent to the Office of Public Instruction. Only CTE programs that meet the general guidelines in the *Montana Standards and Guidelines for Career and Vocational/Technical Education* are included in the CTE enrollment factor. Enrollment calculations are based on Montana Accreditation Standard 10.55.906, ARM which defines a credit as 225 minutes per week for one year.

State CTE funds are intended to supplement existing district budgets in the area of career and technical education. Examples of approved uses of state CTE funds are: CTE teacher salaries for extended contracts, stipends to CTE teachers for supervision of CTSO's, instructional supplies and/or instructional equipment used in an approved program, instruction-related travel expenses for an approved CTE program or CTSO, repair, maintenance and leasing of instructional equipment for an approved CTE program.

**OPI Contact:** Diana Fiedler (406) 444-9019 or [dfiedler@mt.gov](mailto:dfiedler@mt.gov).

## **Useful Links**

*ARRA Quarterly Reporting, Accounting Guidance and Other Resources*  
<http://www.opi.mt.gov/Finance&Grants/SchoolFinance/Index.html>

*State Entitlement Payments to Schools:*  
[http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1\\_9](http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_9)

*School Accounting:*  
[http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1\\_3](http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_3)

*Forms and Publications & Tuition:*  
[http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1\\_10](http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_10)

*Pupil Transportation:*  
[http://www.opi.mt.gov/Programs/SchoolPrograms/Pupil\\_Transportation/index.html](http://www.opi.mt.gov/Programs/SchoolPrograms/Pupil_Transportation/index.html)

*Enrollment and ANB:*  
[http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1\\_8](http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_8)

*Audit Information:*  
[http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1\\_4](http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_4)

## **School Finance Division Staff**

Nica Merala [nmerala@mt.gov](mailto:nmerala@mt.gov)  
Janelle Mickelson [jmickelson@mt.gov](mailto:jmickelson@mt.gov)  
Rebecca Phillips [rphillips2@mt.gov](mailto:rphillips2@mt.gov)  
Paul Taylor [ptaylor2@mt.gov](mailto:ptaylor2@mt.gov)  
Adam Anfinson [aanfinson@mt.gov](mailto:aanfinson@mt.gov)

Kathleen Wanner [kwanner@mt.gov](mailto:kwanner@mt.gov)  
Denise Ulberg [dulberg@mt.gov](mailto:dulberg@mt.gov)  
Donell Rosenthal [drosenthal@mt.gov](mailto:drosenthal@mt.gov)  
Maxine Mougeot [mmougeot@mt.gov](mailto:mmougeot@mt.gov)